

Comments on Financing for the Eden Project at South Hayward BART
Agenda Item 7, Hayward City Council meeting of June 14, 2011

The rephrasing of the South Hayward TOD is, indeed, minor.

As a result, the benefits and problems of the original TOD largely remain. Subsidies for car travel continue. Proceeding with the project is sensible compared with no project, but inadequate in the context of the global climate crisis and the corruption of American culture by car dependency. If rational policy is implemented in the future, the waste of capital will be evident in unused structured parking spaces not easily converted to economic uses.

More specifically, the problems are the BART parking structure, parking in general, Eden parking, and market rate parking.

1. The BART Parking Structure is still part of the plan. The apparent loss of Prop 1C finding delays the project, but the policy of the City is still to allow it to be built. In fact, the modification of the TOD includes “two (versus one) access points into the future BART parking garage...” (Decision letter p. 1) “...there are no changes to the...BART parking garage...” (Staff report p. 118). The Addendum to the MND states that the structure will be built during phase 2A, following phase 1, and proposes attended parking to manage access during construction. Clearly, City support for the structure continues. Building something else will require changing the plan.

The use of the remaining \$16.2 million in Prop. 1C funds has not been made public: “...HCD recalculated the amount of HCD Funds...which will be provided to the Developers as financing for the TOD Project...” (Staff report p. 2). “Financing” means equity expected to earn a profit or loan funds expected to be repaid, but the funds are a grant for infrastructure, and the infrastructure should be described, as it was before. It is time for the details to be revealed to the public.

2. Parking in general. Parking in the table (Staff report p. 118; Decision letter p. 9) indicates a zoning ordinance requiring bundled parking, but it does not apply to the TOD area, which has a maximum and no minimum. As helpful as no minimum could be, the revised project still has 353 structured spaces. This amount, about one space per unit, is low in terms of conventional wisdom. Looking forward, however, the plan continues a tradition of pretending the Car Oriented Development is Transit Oriented Development.

Single-purpose parking free to the user is a bad idea. Shared parking based on willingness to pay makes sense economically, environmentally, and socially. Pricing reform would decrease car use and increase walking.

The staff report (p. 5) states “This development will also increase BART ridership and decrease vehicle miles traveled...” Good luck. Phase 1 reduces parking by 172 spaces, and \$1 parking charges are coming. The maps of on-street parking and walking distances are useful but the staff report does not discuss the impact of Tennyson and RR tracks on walking. Possible parking demand from the low parking supply of Phase 1 may also take spaces intended for BART. We

already know that a smaller street, Dixon, is an impediment to BART parkers. East of Dixon has many vacancies while west of Dixon hardly a space can be found. These factors make it difficult for me to be sure which way the balance will swing. Nevertheless, using empty street spaces for BART is better than leaving them empty. While BART parkers are creative in finding spaces, some signage might help neighborhood parking work. A permit program or SFPark system (electronically monitored spaces, electronic charging, dynamic demand-based charges) could easily manage demand and assure parking supply, but may not also mean more BART riders.

3. Eden parking continues to be bundled into the rent. AHC in Arlington VA has unbundled three projects, so it can be done. Bundling means that tenants who don't need, don't want, or can't afford a car are forced to pay rent for a parking space. Tenants are denied a choice they should have. It means fewer units can be built. It means the units that are built are about 20% more expensive to build because of the high cost of structure parking. It makes it more affordable to own a car, and subsidizes car dependency and environmental degradation. Prop 1C tax money goes to undermine the City Climate Action Plan. It means that parking that BART patrons would pay for and the JPA could manage is not available on land formerly used by BART riders. The City has not revealed the cost of Eden parking and may not even know what it is. The Eden proforma, of which the City has knowledge (p. 3 staff report), has not been revealed to the public.

I understand the bureaucratic complexity of getting anything built, and the value of some affordable housing compared with none, but we can do better.

4. Market rate parking has the same issues as Eden parking with less tax money involved, and more opportunity for income from parking, if the amount of parking were to reflect economic realities. People could save on rent and more parking could be available for BART, using parking amortization underwritten by the JPA as I have earlier proposed.

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